

REMARKS

Applicants have carefully studied the outstanding Office Action. The present amendment is intended to place the application in condition for allowance and is believed to overcome all of the objections and rejections made by the Examiner. Favorable reconsideration and allowance of the application are respectfully requested.

Applicants have amended claim **65** to more properly claim the present invention. No new matter has been added. Claims **10 – 17, 24 – 26** and **62 – 65** are presented for examination.

In Paragraphs 5 and 6 of the Office Action, claims **10 – 17, 24 – 26** and **62 – 65** have been rejected under 35 U.S.C. §103(a) as being unpatentable over Brown, U.S. Patent No. 5,794,219 ("Brown"), in view of Walker et al., U.S. Patent No. 5,862,223 ("Walker").

Brown describes a computerized auction whereby individual bidders can pool together their bids into a combined total bid for a designated bidding group.

Walker describes a comprehensive computerized market for buying and selling expert services. The buyers are end users who submit requests for service, and the sellers are experts who provide the requested service. Walker describes many aspects of the expert services market, including asynchronous and synchronous modes of end user / expert communication, billing and payment of service fees, anonymity of participants, security and authenticity of messages communicated. Beginning at col. 36, line 58, Walker describes an auction model where experts bid on end user requests, as illustrated in **FIG. 31** of Walker, and an auction model where end users bid on expert time, as illustrated in **FIG. 32** of Walker.

The rejections of the independent claims in paragraphs 5 and 6 of the Office Action will now be dealt with specifically.

### **Claim 10**

Claim 10 includes the limitation of  
*"instructions for directing said processing device to allocate the set of goods to said team members of said winning team".*  
Applicants respectfully submit that this limitation is neither shown nor suggested in Brown and Walker.

Specifically, in the setting of Brown, the item being auctioned is awarded to the winning group (Brown / col. 8, lines 36 – 46; **FIG. 10**), but Brown does not disclose allocating the item among the bidders of the winning group. In **FIG. 6** of Brown, the item is awarded to the winning one of the New York Art Museum, The Los Angeles Museum of Art, and the Roman Catholic Church. There is no intention of allocating the item to the bidders themselves.

### **Claim 62**

On page 5 of the Office Action, the Examiner has indicated that Walker discloses additional rounds of bidding. On page 22 of the original specification, a tournament auction is described as including (i) a plurality of items,  $M$  items, (ii) that are sequentially auctioned in  $n$  consecutive rounds of bidding, where  $M_i$  items are auctioned in round  $i$ , (iii) the  $M_i$  highest bidders at the end of round  $i$  receive the items offered for sale at that round, and (iv) at the end of each round of bidding only a pre-specified number of the highest bidders are allowed to proceed to the next round, while the remaining bidders are excluded from participation in the remaining rounds. Correspondingly,

claim **62** includes several limitations relating to the additional rounds of bidding, including

"receive a plurality of items for sale by a seller",

"auction said items sequentially in a series of rounds of bidding, a subset of the items being up for auction at each round of bidding",

"receive bids for each subset of items from a plurality of bidders during each round",

"allocate each subset of items to at least one of said plurality of bidders at a predetermined round", and

"admit to each subsequent round of bidding a subset of bidders from the previous round according to the bid value placed by each bidder during the previous round".

Applicants respectfully submit that these limitations are neither shown nor suggested in Brown and Walker.

### **Claim 65**

On page 4 of the Office Action, the Examiner indicated that the claim language "... are assessed a payment ..." is unclear. Applicants' intent is that a bidder makes a payment to the system for subsequent rounds he participates in. To further clarify this limitation, applicants have amended claim **65** to read

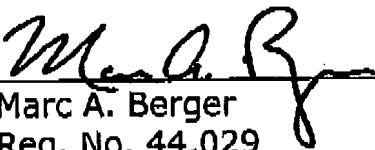
"wherein said subset of bidders make a payment in response to being admitted in each subsequent round".

This limitation is neither shown nor suggested in Brown and Walker.

For the foregoing reasons, applicants respectfully submit that the applicable objections and rejections have been overcome and that the claims are in condition for allowance.

Respectfully submitted,

Dated: March 28 , 2007

  
\_\_\_\_\_  
Marc A. Berger  
Reg. No. 44,029

Soquel Group LLC  
P.O. Box 691  
Soquel, CA 95073  
(831) 426-8200